

AMENDED IN SENATE MARCH 14, 2013

SENATE BILL

No. 3

Introduced by Senators Yee and Lieu

December 3, 2012

An act to amend Sections 84100, 84101, 84103, 84108, 84200.6, 84203, 84203.3, 84204, 84215, 84220, 84300, 84602, 84605, and 91013 of, to amend and renumber Sections 82036 and 82036.5 of, and to add Sections 84202.8, 84202.9, and 84620 to, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 3, as amended, Yee. Political Reform Act of 1974: ~~campaign disclosures~~. 1974.

(1) Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing, including requiring the reporting of campaign contributions and expenditures, as defined, and imposing other reporting and recordkeeping requirements on campaign committees, as defined. A violation of the act's provisions is punishable as a misdemeanor.

This bill would revise the terms "late contribution" and "late independent expenditure," as defined in the act, to "election-cycle contribution" and "election-cycle independent expenditure," respectively, and would make conforming changes.

The bill would also increase the fines and penalties imposed for campaign statements and reports that are filed late.

(2) The act requires each committee to file a statement of organization within 10 days of becoming a committee. The act also requires a committee to file an amended statement of organization whenever there is a change to the information contained in the statement of

organization. The act requires certain committees to file the original statement with the Secretary of State and a copy to be filed with the local filing officer. The act requires the Secretary of State to forward a copy of the statement of organization to the county elections official, and for the county elections official to forward a copy to appropriate city clerks. The act requires the Secretary of State, in consultation with the Commission, to develop online and electronic filing processes for specified entities.

This bill would require that the statement and any amendments be filed with the Secretary of State by online or electronic means. The bill would reduce the time in which the statement of organization must be filed to 5 days. The bill would authorize a committee to satisfy the local filing requirement by online or electronic means if the local filing officer accepts filing by online or electronic means. This bill would specify that the Secretary of State and the county elections officials forward copies of the statement or organization by online or electronic means.

This bill would also require the Secretary of State to work toward the development of a single, statewide electronic filing system that consolidates the filing of all state and local campaign statements and reports into one searchable database that meets specified criteria. The bill would require the Secretary of State to develop a feasibility study report for the electronic filing system by December 31, 2014, to develop a funding plan, to engage in fundraising, and to complete work on the electronic filing system by December 31, 2018.

(3) The act requires each committee to have a designated treasurer who is identified in the statement of organization. A committee may not make an expenditure without the authorization of the treasurer.

This bill would require a treasurer for a committee or committees that have made cumulative contributions or expenditures in excess of \$250,000 to complete an online certification course, designed and administered by the Commission, that addresses the statutes and regulations governing the financing of campaigns and the duties and responsibilities of a treasurer within 20 business days after being designated as the treasurer, or within 20 business days of exceeding the \$250,000 threshold if the committees have not exceeded the threshold at the time the treasurer is designated. The bill would require the treasurer to make certain verifications under penalty of perjury. By creating a new crime, this bill would impose a state-mandated local program.

(4) *The act requires a committee to file certain special campaign statements, in addition to semi-annual and preelection campaign statements. The act requires certain officers to file these statements by online or electronic means and a copy in paper format with the Secretary of State.*

This bill would establish a postelection campaign statement that elected officers, candidates, and committees would be required to file after an election covering a time period starting on the day after the closing date of the last campaign statement required to be filed prior to the election and ending on the final calendar day of the month in which the election occurred. The bill would also establish a cumulative campaign statement to be filed by certain officers, candidates, and committees after an election that occurs in an even-numbered year that covers a time period of 2 calendar years. The bill would require the Fair Political Practices Commission to adopt regulations with respect to filing cumulative campaign statements for special elections and elections in odd-numbered years.

This bill would repeal the requirement that a committee file a paper copy of a campaign statement in addition to the online or electronic filing.

(5) *The act requires certain reports, such as late contribution and late independent expenditure reports, to be filed within 24 hours by facsimile transmission, guaranteed overnight delivery, or personal delivery.*

This bill would additionally authorize certain reports that have a 24-hour filing deadline to be filed by online transmission.

(6) *The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

This bill would provide that no reimbursement is required by this act for a specified reason.

(7) *The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a ²/₃ vote of each house and compliance with specified procedural requirements.*

This bill would declare that it furthers the purposes of the act.

~~Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing, including requiring the reporting of campaign contributions and expenditures and imposing~~

~~other reporting and recordkeeping requirements on campaign committees. Existing law makes a knowing or willful violation of the Political Reform Act of 1974 a misdemeanor and subjects offenders to criminal penalties.~~

~~This bill would declare the intent of the Legislature to enact legislation that would strengthen the Political Reform Act of 1974 and the campaign disclosure requirements within that act to increase disclosure penalties and to strengthen and modify specified existing disclosure requirements and campaign contribution provisions as they relate to particular groups and organizations.~~

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~^{yes}. State-mandated local program: ~~no~~^{yes}.

The people of the State of California do enact as follows:

1 SECTION 1. Section 82036 of the Government Code is
2 amended and renumbered to read:

3 82036.

4 82022.5. ~~“Late~~—“Election-cycle contribution” means any of the
5 following:

6 (a) A contribution, including a loan, that totals in the aggregate
7 one thousand dollars (\$1,000) or more and is made to or received
8 by a candidate, a controlled committee, or a committee formed or
9 existing primarily to support or oppose a candidate or measure
10 within 90 days before the date of the election at which the candidate
11 or measure is to be voted on. For purposes of the Board of
12 Administration of the Public Employees’ Retirement System and
13 the Teachers’ Retirement Board, “the date of the election” is the
14 deadline to return ballots.

15 (b) A contribution, including a loan, that totals in the aggregate
16 one thousand dollars (\$1,000) or more and is made to or received
17 by a political party committee, as defined in Section 85205, within
18 90 days before the date of a state election.

19 SEC. 2. Section 82036.5 of the Government Code is amended
20 and renumbered to read:

21 82036.5.

22 82022.7. ~~“Late~~—“Election-cycle independent expenditure”
23 means an independent expenditure that totals in the aggregate one
24 thousand dollars (\$1,000) or more and is made for or against a
25 specific candidate or measure involved in an election within 90

1 days before the date of the election. For purposes of the Board of
2 Administration of the Public Employees' Retirement System and
3 the Teachers' Retirement Board, "the date of the election" is the
4 deadline to return ballots.

5 *SEC. 3. Section 84100 of the Government Code is amended to*
6 *read:*

7 84100. (a) Every committee shall have a treasurer. No
8 expenditure shall be made by or on behalf of a committee without
9 the authorization of the treasurer or that of his or her designated
10 agents. No contribution or expenditure shall be accepted or made
11 by or on behalf of a committee at a time when there is a vacancy
12 in the office of treasurer.

13 (b) (1) *Prior to being designated as a treasurer pursuant to*
14 *Section 84102 or 84103, or not later than 20 business days after*
15 *that designation, a treasurer who serves as a treasurer for one or*
16 *more committees that have made cumulative contributions or*
17 *expenditures in excess of two hundred fifty thousand dollars*
18 *(\$250,000) shall complete an online certification course, designed*
19 *and administered by the Commission, that addresses the statutes*
20 *and regulations governing the financing of campaigns, and the*
21 *duties and responsibilities of a treasurer, under this title. If the*
22 *cumulative contributions or expenditures for a treasurer's*
23 *committees are two hundred fifty thousand dollars (\$250,000) or*
24 *less at the time the treasurer is designated as treasurer for a*
25 *committee, that treasurer shall be required to complete the online*
26 *certification course within 20 business days after the date upon*
27 *which the contributions or expenditures of the committee or*
28 *committees exceed two hundred fifty thousand dollars (\$250,000).*
29 *The course shall require each applicant for certification to verify,*
30 *under penalty of perjury, his or her identity by means of an*
31 *identifier determined by the Commission.*

32 (2) *The Commission may charge each applicant for certification*
33 *pursuant to this subdivision a fee not to exceed fifty dollars (\$50).*
34 *The fee may be paid with, or reimbursed from, campaign funds,*
35 *as defined in Section 89511.*

36 (3) *Each treasurer shall verify, under penalty of perjury, on a*
37 *statement of organization required by Section 84101, or on an*
38 *amendment to a statement of organization required by Section*
39 *84103, that he or she has been certified pursuant to this*
40 *subdivision.*

1 (4) A treasurer shall renew his or her certification pursuant to
2 this subdivision every two years.

3 (5) The Commission shall maintain on its Internet Web site a
4 list of treasurers who are currently certified pursuant to this
5 subdivision.

6 SEC. 4. Section 84101 of the Government Code is amended to
7 read:

8 84101. (a) A committee that is a committee by virtue of
9 subdivision (a) of Section 82013 shall file a statement of
10 organization. The committee shall file the original of the statement
11 of organization *by online or electronic means* with the Secretary
12 of State, *pursuant to Chapter 4.6 (commencing with Section*
13 *84600)*, and shall also file a copy of the statement of organization
14 with the local filing officer, if any, with whom the committee is
15 required to file the originals of its campaign reports pursuant to
16 Section 84215. ~~The original and copy of~~ *A committee may satisfy*
17 *the local filing requirement by online or electronic means if the*
18 *local filing officer accepts filing by online or electronic means.*
19 ~~The~~ statement of organization shall be filed within ~~10~~ *five* days
20 after the committee has qualified as a committee. The Secretary
21 of State shall assign a number to each committee that files a
22 statement of organization and shall notify the committee of the
23 number. The Secretary of State shall send a copy of statements
24 filed pursuant to this section to the county elections official of each
25 county that he or she deems appropriate *by online or electronic*
26 *means*. A county elections official who receives a copy of a
27 statement of organization from the Secretary of State pursuant to
28 this section shall send a copy of the statement to the clerk of each
29 city in the county that he or she deems appropriate *by online or*
30 *electronic means*.

31 (b) In addition to filing the statement of organization as required
32 by subdivision (a), if a committee qualifies as a committee under
33 subdivision (a) of Section 82013 before the date of an election in
34 connection with which the committee is required to file *a*
35 ~~preelection statements~~ *statement*, but after the closing date of the
36 last campaign statement required to be filed before the election
37 pursuant to Section 84200.7, 84200.8, or 84200.9, the committee
38 shall file, by facsimile transmission, guaranteed overnight delivery,
39 ~~personal delivery, or personal delivery~~ *online transmission* within
40 24 hours of qualifying as a committee, the information required

1 to be reported in the statement of organization. The information
2 required by this subdivision shall be filed with the filing officer
3 with whom the committee is required to file the originals of its
4 campaign reports pursuant to Section 84215.

5 (c) If an independent expenditure committee qualifies as a
6 committee pursuant to subdivision (a) of Section 82013 during the
7 time period described in Section ~~82036.5~~ 82022.7 and makes
8 independent expenditures of one thousand dollars (\$1,000) or more
9 to support or oppose a candidate or candidates for office, the
10 committee shall file, by facsimile transmission, online transmission,
11 guaranteed overnight delivery, or personal delivery within 24 hours
12 of qualifying as a committee, the information required to be
13 reported in the statement of organization. The information required
14 by this section shall be filed with the filing officer with whom the
15 committee is required to file the original of its campaign reports
16 pursuant to Section 84215, and shall be filed at all locations
17 required for the candidate or candidates supported or opposed by
18 the independent expenditures. The filings required by this section
19 are in addition to filings that may be required by Sections 84203.5
20 and 84204.

21 (d) For purposes of this section, in calculating whether one
22 thousand dollars (\$1,000) in contributions has been received,
23 payments for a filing fee or for a statement of qualifications to
24 appear in a sample ballot shall not be included if these payments
25 have been made from the candidate's personal funds.

26 *SEC. 5. Section 84103 of the Government Code is amended to*
27 *read:*

28 84103. (a) Whenever there is a change in any of the
29 information contained in a statement of organization, an
30 amendment shall be filed within 10 days to reflect the change. The
31 committee shall file the ~~original of the~~ amendment with the
32 Secretary of State *by online or electronic means* and shall also file
33 a copy of the amendment with the local filing officer, if any, with
34 whom the committee is required to file the originals of its campaign
35 reports pursuant to Section 84215.

36 (b) In addition to filing an amendment to a statement of
37 organization as required by subdivision (a), a committee as defined
38 in subdivision (a) of Section 82013 shall, by facsimile transmission,
39 online transmission, guaranteed overnight delivery, or personal
40 delivery within 24 hours, notify the filing officer with whom it is

1 required to file ~~the originals~~ of its campaign reports pursuant to
2 Section 84215 when the change requiring the amendment occurs
3 before the date of the election in connection with which the
4 committee is required to file a preelection statement, but after the
5 closing date of the last preelection statement required to be filed
6 for the election pursuant to Section 84200.7 or 84200.8, if any of
7 the following information is changed:

8 (1) The name of the committee.

9 (2) The name of the treasurer or other principal officers.

10 (3) The name of any candidate or committee by which the
11 committee is controlled or with which it acts jointly.

12 The notification shall include the changed information, the date
13 of the change, the name of the person providing the notification,
14 and the committee's name and identification number.

15 A committee may file a notification online only if the appropriate
16 filing officer is capable of receiving the notification in that manner.

17 *SEC. 6. Section 84108 of the Government Code is amended to*
18 *read:*

19 84108. (a) Every slate mailer organization shall comply with
20 the requirements of Sections 84100, 84101, 84103, and 84104.

21 (b) The statement of organization of a slate mailer organization
22 shall include:

23 (1) The name, street address, and telephone number of the
24 organization. In the case of an individual or business entity that
25 qualifies as a slate mailer organization, the name of the slate mailer
26 organization shall include the name by which the individual or
27 entity is identified for legal purposes. Whenever identification of
28 a slate mailer organization is required by this title, the identification
29 shall include the full name of the slate mailer organization as
30 contained in its statement of organization.

31 (2) The full name, street address, and telephone number of the
32 treasurer and other principal officers.

33 (3) The full name, street address, and telephone number of each
34 person with final decisionmaking authority as to which candidates
35 or measures will be supported or opposed in the organization's
36 slate mailers.

37 (c) The statement of organization shall be filed with the
38 Secretary of State within 10 days after the slate mailer organization
39 receives or is promised five hundred dollars (\$500) or more for
40 producing one or more slate mailers. However, if an entity qualifies

1 as a slate mailer organization before the date of an election in
2 which it is required to file preelection statements, but after the
3 closing date of the last campaign statement required to be filed
4 before the election pursuant to Section 84218, the slate mailer
5 organization shall file with the Secretary of State, by facsimile
6 transmission, guaranteed overnight delivery, *online transmission*,
7 or personal delivery within 24 hours of qualifying as a slate mailer
8 organization, the information required to be reported in the
9 statement of organization.

10 *SEC. 7. Section 84200.6 of the Government Code is amended*
11 *to read:*

12 84200.6. In addition to the campaign statements required by
13 Sections 84200 and 84200.5, all candidates and committees shall
14 file the following special statements and reports:

15 (a) Supplemental preelection statements when required by
16 Section 84202.5.

17 (b) *Postelection campaign statements when required by Section*
18 *84202.8.*

19 (c) *Cumulative campaign statements when required by Section*
20 *84202.9.*

21 ~~(b) Late~~

22 (d) *“Election-cycle contribution reports when required by*
23 *Section 84203.*

24 ~~(e)~~

25 (e) Independent expenditure reports when required by Section
26 84203.5.

27 ~~(d) Late~~

28 (f) *“Election-cycle independent expenditure reports when*
29 *required by Section 84204.*

30 *SEC. 8. Section 84202.8 is added to the Government Code, to*
31 *read:*

32 84202.8. *In addition to the campaign statements required by*
33 *Section 84200 and 84200.5, elected officers, candidates, and*
34 *committees shall file a postelection campaign statement on the*
35 *20th day of the month following the month in which the election*
36 *occurred. The postelection campaign statement shall cover the*
37 *time period starting the day after the closing date of the last*
38 *campaign statement required to be filed prior to the election and*
39 *ending the final calendar day of the month in which the election*
40 *occurred.*

1 *SEC. 9. Section 84202.9 is added to the Government Code, to*
2 *read:*

3 84202.9. (a) *During an even-numbered year, all candidates*
4 *for elective office to be voted upon in the statewide primary election*
5 *or statewide general election, their controlled committees,*
6 *committees formed primarily to support or oppose an elected state*
7 *officer or candidate for state elective office being voted upon, and*
8 *all committees formed primarily to support or oppose a ballot*
9 *measure to be voted upon at the statewide primary election or*
10 *statewide general election shall file a cumulative campaign*
11 *statement. The cumulative campaign statement shall be filed by*
12 *January 31 of the year following the year of the election and shall*
13 *cover the time period starting January 1 of the odd-numbered year*
14 *preceding the election and ending December 31 of the year in*
15 *which the election occurred.*

16 (b) *For purposes of special elections and elections in*
17 *odd-numbered years, all candidates, their controlled committees,*
18 *and committees primarily formed to support or oppose a candidate*
19 *or ballot measure shall be required to file cumulative campaign*
20 *statements on a date and for a time period determined by the*
21 *Commission by regulation.*

22 *SEC. 10. Section 84203 of the Government Code is amended*
23 *to read:*

24 84203. (a) Each candidate or committee that makes or receives
25 ~~a late~~ *an election-cycle* contribution, as defined in Section ~~82036~~
26 82022.5, shall report the ~~late~~ *election-cycle* contribution to each
27 office with which the candidate or committee is required to file its
28 next campaign statement pursuant to Section 84215. The candidate
29 or committee that makes the ~~late~~ *election-cycle* contribution shall
30 report his or her full name and street address and the full name
31 and street address of the person to whom the ~~late~~ *election-cycle*
32 contribution has been made, the office sought if the recipient is a
33 candidate, or the ballot measure number or letter if the recipient
34 is a committee primarily formed to support or oppose a ballot
35 measure, and the date and amount of the ~~late~~ *election-cycle*
36 contribution. The recipient of the ~~late~~ *election-cycle* contribution
37 shall report his or her full name and street address, the date and
38 amount of the ~~late~~ *election-cycle* contribution, and whether the
39 contribution was made in the form of a loan. The recipient shall
40 also report the full name of the contributor, his or her street address,

1 occupation, and the name of his or her employer, or if
2 self-employed, the name of the business.

3 (b) ~~A late~~ *An election-cycle* contribution shall be reported by
4 facsimile transmission, guaranteed overnight delivery, *online*
5 *transmission*, or personal delivery within 24 hours of the time it
6 is made in the case of the candidate or committee that makes the
7 contribution and within 24 hours of the time it is received in the
8 case of the recipient. If ~~a late~~ *an election-cycle* contribution is
9 required to be reported to the Secretary of State, the report to the
10 Secretary of State shall be by online or electronic transmission
11 only. ~~A late~~ *An election-cycle* contribution shall be reported on
12 subsequent campaign statements without regard to reports filed
13 pursuant to this section.

14 (c) ~~A late~~ *An election-cycle* contribution need not be reported
15 nor shall it be deemed accepted if it is not cashed, negotiated, or
16 deposited and is returned to the contributor within 24 hours of its
17 receipt.

18 (d) A report filed pursuant to this section shall be in addition to
19 any other campaign statement required to be filed by this chapter.

20 (e) The report required pursuant to this section is not required
21 to be filed by a candidate or committee that has disclosed the ~~late~~
22 *election-cycle* contribution pursuant to subdivision (a) or (b) of
23 Section 85309.

24 *SEC. 11. Section 84203.3 of the Government Code is amended*
25 *to read:*

26 84203.3. (a) Any candidate or committee that makes ~~a late~~ *an*
27 *election-cycle* contribution that is ~~an in-kind~~ *a nonmonetary*
28 contribution shall notify the recipient in writing of the value of the
29 ~~in-kind~~ *nonmonetary* contribution. The notice shall be received
30 by the recipient within 24 hours of the time the contribution is
31 made.

32 (b) Nothing in this section shall relieve a candidate or committee
33 that makes ~~a late in-kind~~ *an election-cycle nonmonetary*
34 contribution or the recipient of ~~a late in-kind~~ *an election-cycle*
35 *nonmonetary* contribution from the requirement to file ~~late~~
36 *election-cycle* contribution reports pursuant to Section 84203.
37 However, a report filed by the recipient of ~~a late in-kind~~ *an*
38 *election-cycle nonmonetary* contribution shall be deemed timely
39 filed if it is received by the filing officer within 48 hours of the
40 time the contribution is received.

1 SEC. 12. Section 84204 of the Government Code is amended
2 to read:

3 84204. (a) A committee that makes ~~a late~~ *an election-cycle*
4 independent expenditure, as defined in Section ~~82036.5~~ 82022.7,
5 shall report the ~~late election-cycle~~ independent expenditure by
6 facsimile transmission, guaranteed overnight delivery, *online*
7 *transmission*, or personal delivery within 24 hours of the time it
8 is made. If ~~a late~~ *an election-cycle* independent expenditure is
9 required to be reported to the Secretary of State, the report to the
10 Secretary of State shall be by online or electronic transmission
11 only. ~~A late~~ *An election-cycle* independent expenditure shall be
12 reported on subsequent campaign statements without regard to
13 reports filed pursuant to this section.

14 (b) A committee that makes ~~a late~~ *an election-cycle* independent
15 expenditure shall report its full name and street address, as well
16 as the name, office, and district of the candidate if the report is
17 related to a candidate, or if the report is related to a measure, the
18 number or letter of the measure, the jurisdiction in which the
19 measure is to be voted upon, and the amount and the date, as well
20 as a description of goods or services for which the ~~late~~
21 *election-cycle* independent expenditure was made. In addition to
22 the information required by this subdivision, a committee that
23 makes ~~a late~~ *an election-cycle* independent expenditure shall
24 include with its ~~late election-cycle~~ independent expenditure report
25 the information required by paragraphs (1) to (5), inclusive, of
26 subdivision (f) of Section 84211, covering the period from the day
27 after the closing date of the last campaign report filed to the date
28 of the ~~late election-cycle~~ independent expenditure, or if the
29 committee has not previously filed a campaign statement, covering
30 the period from the previous January 1 to the date of the ~~late~~
31 *election-cycle* independent expenditure. No information required
32 by paragraphs (1) to (5), inclusive, of subdivision (f) of Section
33 84211 that is required to be reported with ~~a late~~ *an election-cycle*
34 independent expenditure report by this subdivision is required to
35 be reported on more than one ~~late election-cycle~~ independent
36 expenditure report.

37 (c) A committee that makes ~~a late~~ *an election-cycle* independent
38 expenditure shall file ~~a late~~ *an election-cycle* independent
39 expenditure report in the places where it would be required to file
40 campaign statements under this article as if it were formed or

1 existing primarily to support or oppose the candidate or measure
2 for or against which it is making the ~~late~~ *election-cycle* independent
3 expenditure.

4 (d) A report filed pursuant to this section shall be in addition to
5 any other campaign statement required to be filed by this article.

6 (e) Expenditures that have been disclosed by candidates and
7 committees pursuant to Section 85500 are not required to be
8 disclosed pursuant to this section.

9 *SEC. 13. Section 84215 of the Government Code is amended*
10 *to read:*

11 84215. All candidates and elected officers and their controlled
12 committees, except as provided in subdivisions (d) and (e), shall
13 file one copy of the campaign statements required by Section 84200
14 with the elections official of the county in which the candidate or
15 elected official is domiciled, as defined in subdivision (b) of
16 Section 349 of the Elections Code. In addition, campaign
17 statements shall be filed at the following places:

18 (a) Statewide elected officers, including members of the State
19 Board of Equalization; Members of the Legislature; Supreme Court
20 justices, court of appeal justices, and superior court judges;
21 candidates for those offices and their controlled committees;
22 committees formed or existing primarily to support or oppose these
23 candidates, elected officers, justices and judges, or statewide
24 measures, or the qualification of state ballot measures; and all state
25 general purpose committees and filers not specified in subdivisions
26 (b) to (e), inclusive, shall file a campaign statement by online or
27 electronic means, as specified in Section 84605, ~~and shall file the~~
28 ~~original and one copy of the campaign statement in paper format~~
29 ~~with the Secretary of State.~~

30 (b) Elected officers in jurisdictions other than legislative
31 districts, State Board of Equalization districts, or appellate court
32 districts that contain parts of two or more counties, candidates for
33 these offices, their controlled committees, and committees formed
34 or existing primarily to support or oppose candidates or local
35 measures to be voted upon in one of these jurisdictions shall file
36 the original and one copy with the elections official of the county
37 with the largest number of registered voters in the jurisdiction.

38 (c) County elected officers, candidates for these offices, their
39 controlled committees, committees formed or existing primarily
40 to support or oppose candidates or local measures to be voted upon

1 in any number of jurisdictions within one county, other than those
2 specified in subdivision (d), and county general purpose
3 committees shall file the original and one copy with the elections
4 official of the county.

5 (d) City elected officers, candidates for city office, their
6 controlled committees, committees formed or existing primarily
7 to support or oppose candidates or local measures to be voted upon
8 in one city, and city general purpose committees shall file the
9 original and one copy with the clerk of the city and are not required
10 to file with the local elections official of the county in which they
11 are domiciled.

12 (e) Elected members of the Board of Administration of the
13 Public Employees' Retirement System, elected members of the
14 Teachers' Retirement Board, candidates for these offices, their
15 controlled committees, and committees formed or existing
16 primarily to support or oppose these candidates or elected members
17 shall file the original and one copy with the Secretary of State, and
18 a copy shall be filed at the relevant board's office in Sacramento.
19 These elected officers, candidates, and committees need not file
20 with the elections official of the county in which they are
21 domiciled.

22 (f) Notwithstanding any other provision of this section, a
23 committee, candidate, or elected officer is not required to file more
24 than the original and one copy, or one copy, of a campaign
25 statement with any one county elections official or city clerk or
26 with the Secretary of State.

27 (g) If a committee is required to file campaign statements
28 required by Section 84200 or 84200.5 in places designated in
29 subdivisions (a) to (d), inclusive, it shall continue to file these
30 statements in those places, in addition to any other places required
31 by this title, until the end of the calendar year.

32 (h) *If a jurisdiction authorizes the use of filing by online or*
33 *electronic means and a committee, candidate, or elected officer*
34 *files the campaign statement by online or electronic means, then*
35 *the committee, candidate, or elected officer shall not be required*
36 *to file an original or copy of a campaign statement in paper format,*
37 *unless otherwise required by statute or local ordinance.*

38 SEC. 14. Section 84220 of the Government Code is amended
39 to read:

1 84220. If a slate mailer organization receives a payment of two
2 thousand five hundred dollars (\$2,500) or more for purposes of
3 supporting or opposing any candidate or ballot measure in a slate
4 mailer, and the payment is received at a time when, if the payment
5 were a contribution it would be considered ~~a late~~ *an election-cycle*
6 contribution, then the slate mailer organization shall report the
7 payment in the manner set forth in Section 84203 for candidates
8 and committees when reporting ~~late election-cycle~~ contributions
9 received. The slate mailer organization shall, in addition to
10 reporting the information required by Section 84203, identify the
11 candidates or measures whose support or opposition is being paid
12 for, in whole or in part, by each ~~late election-cycle~~ payment.

13 *SEC. 15. Section 84300 of the Government Code is amended*
14 *to read:*

15 84300. (a) No contribution of one hundred dollars (\$100) or
16 more shall be made or received in cash.

17 A cash contribution shall not be deemed received if it is not
18 negotiated or deposited and is returned to the contributor before
19 the closing date of the campaign statement on which the
20 contribution would otherwise be reported. If a cash contribution,
21 other than ~~a late~~ *an election-cycle* contribution, as defined in
22 Section ~~82036~~ 82022.5, is negotiated or deposited, it shall not be
23 deemed received if it is refunded within 72 hours of receipt. In the
24 case of ~~a late~~ *an election-cycle* contribution, as defined in Section
25 ~~82036~~ 82022.5, it shall not be deemed received if it is returned to
26 the contributor within 48 hours of receipt.

27 (b) No expenditure of one hundred dollars (\$100) or more shall
28 be made in cash.

29 (c) No contribution of one hundred dollars (\$100) or more other
30 than an in-kind contribution shall be made unless in the form of a
31 written instrument containing the name of the donor and the name
32 of the payee and drawn from the account of the donor or the
33 intermediary, as defined in Section 84302.

34 (d) The value of all in-kind contributions of one hundred dollars
35 (\$100) or more shall be reported in writing to the recipient upon
36 the request in writing of the recipient.

37 *SEC. 16. Section 84602 of the Government Code is amended*
38 *to read:*

1 84602. To implement the Legislature's intent, the Secretary of
2 State, in consultation with the Commission, notwithstanding any
3 other provision of this code, shall do all of the following:

4 (a) Develop online and electronic filing processes for use by
5 persons and entities specified in Section 84605 that are required
6 to file statements and reports with the Secretary of State's office
7 pursuant to Chapter 4 (commencing with Section 84100) and
8 Chapter 6 (commencing with Section 86100). Those processes
9 shall each enable a user to comply with all the disclosure
10 requirements of this title and shall include, at a minimum, the
11 following:

12 (1) A means or method whereby filers subject to this chapter
13 may submit required filings free of charge. Any means or method
14 developed pursuant to this provision shall not provide any
15 additional or enhanced functions or services that exceed the
16 minimum requirements necessary to fulfill the disclosure provisions
17 of this title. At least one means or method shall be made available
18 no later than December 31, 2002.

19 (2) The definition of a nonproprietary standardized record format
20 or formats using industry standards for the transmission of the data
21 that is required of those persons and entities specified Section
22 84605 and that conforms with the disclosure requirements of this
23 title. The Secretary of State shall hold public hearings prior to
24 development of the record format or formats as a means to ensure
25 that affected entities have an opportunity to provide input into the
26 development process. The format or formats shall be made public
27 no later than July 1, 1999, to ensure sufficient time to comply with
28 this chapter.

29 (b) Accept test files from software vendors and others wishing
30 to file reports electronically, for the purpose of determining whether
31 the file format is in compliance with the standardized record format
32 developed pursuant to subdivision (a) and is compatible with the
33 Secretary of State's system for receiving the data. A list of the
34 software and service providers who have submitted acceptable test
35 files shall be published by the Secretary of State and made available
36 to the public. Acceptably formatted files shall be submitted by a
37 filer in order to meet the requirements of this chapter.

38 (c) Develop a system that provides for the online or electronic
39 transfer of the data specified in this section utilizing
40 telecommunications technology that assures the integrity of the

1 data transmitted and that creates safeguards against efforts to
2 tamper with or subvert the data.

3 (d) Make all the data filed available on the Internet in an easily
4 understood format that provides the greatest public access. The
5 data shall be made available free of charge and as soon as possible
6 after receipt. All—late *election-cycle* contribution and—late
7 *election-cycle* independent expenditure reports, as defined by
8 Sections 84203 and 84204, respectively, shall be made available
9 on the Internet within 24 hours of receipt. The data made available
10 on the Internet shall not contain the street name and building
11 number of the persons or entity representatives listed on the
12 electronically filed forms or any bank account number required to
13 be disclosed pursuant to this title.

14 (e) Develop a procedure for filers to comply with the
15 requirement that they sign under penalty of perjury pursuant to
16 Section 81004.

17 (f) Maintain all filed data online for 10 years after the date it is
18 filed, and then archive the information in a secure format.

19 (g) Provide assistance to those seeking public access to the
20 information.

21 (h) Implement sufficient technology to seek to prevent
22 unauthorized alteration or manipulation of the data.

23 (i) Provide the Commission with necessary information to enable
24 it to assist agencies, public officials, and others with the compliance
25 with and administration of this title.

26 (j) Report to the Legislature on the implementation and
27 development of the online and electronic filing and disclosure
28 requirements of this chapter. The report shall include an
29 examination of system security, private security issues, software
30 availability, compliance costs to filers, use of the filing system and
31 software provided by the Secretary of State, and other issues
32 relating to this chapter, and shall recommend appropriate changes
33 if necessary. In preparing the report, the Commission may present
34 to the Secretary of State and the Legislature its comments regarding
35 this chapter as it relates to the duties of the Commission and
36 suggest appropriate changes if necessary. There shall be one report
37 due before the system is operational as set forth in Section 84603,
38 one report due no later than June 1, 2002, and one report due no
39 later than January 31, 2003.

1 (k) Review the current filing and disclosure requirements of
2 this chapter and report to the Legislature, no later than June 1,
3 2005, recommendations on revising these requirements so as to
4 promote greater reliance on electronic and online submissions.

5 *SEC. 17. Section 84605 of the Government Code is amended*
6 *to read:*

7 84605. (a) The following persons shall file online or
8 electronically with the Secretary of State:

9 (1) Any candidate, including superior court, appellate court,
10 and Supreme Court candidates and officeholders, committee, or
11 other persons who are required, pursuant to Chapter 4 (commencing
12 with Section 84100), to file statements, reports, or other documents
13 in connection with a state elective office or state measure, provided
14 that the total cumulative reportable amount of contributions
15 received, expenditures made, loans made, or loans received is
16 twenty-five thousand dollars (\$25,000) or more. In determining
17 the cumulative reportable amount, all controlled committees, as
18 defined by Section 82016, shall be included. For a committee
19 subject to this title prior to January 1, 2000, the beginning date for
20 calculating cumulative totals is January 1, 2000. For a committee
21 that is first subject to this title on or after January 1, 2000, the
22 beginning date for calculating cumulative totals is the date the
23 committee is first subject to this title. A committee, as defined in
24 subdivision (c) of Section 82013, shall file online or electronically
25 if it makes contributions of twenty-five thousand dollars (\$25,000)
26 or more in a calendar year.

27 (2) Any general purpose committees, as defined in Section
28 82027.5, including the general purpose committees of political
29 parties, and small contributor committees, as defined in Section
30 85203, that cumulatively receive contributions or make
31 expenditures totaling twenty-five thousand dollars (\$25,000) or
32 more to support or oppose candidates for any elective state office
33 or state measure. For a committee subject to this title prior to
34 January 1, 2000, the beginning date for calculating cumulative
35 totals is January 1, 2000. For a committee that first is subject to
36 this title on or after January 1, 2000, the beginning date for
37 calculating cumulative totals is the date the committee is first
38 subject to this title.

39 (3) Any slate mailer organization with cumulative reportable
40 payments received or made for the purposes of producing slate

1 mailers of twenty-five thousand dollars (\$25,000) or more. For a
2 slate mailer organization subject to this title prior to January 1,
3 2000, the beginning date for calculating cumulative totals is
4 January 1, 2000. For a slate mailer organization that first is subject
5 to this title on or after January 1, 2000, the beginning date for
6 calculating cumulative totals is the date the organization is first
7 subject to this title.

8 (4) Any lobbyist, lobbying firm, lobbyist employer, or other
9 persons required, pursuant to Chapter 6 (commencing with Section
10 86100), to file statements, reports, or other documents, provided
11 that the total amount of any category of reportable payments,
12 expenses, contributions, gifts, or other items is two thousand five
13 hundred dollars (\$2,500) or more in a calendar quarter.

14 (b) The Secretary of State shall also disclose on the Internet any
15 ~~late election-cycle~~ contribution or ~~late election-cycle~~ independent
16 expenditure report, as defined by Sections 84203 and 84204,
17 respectively, not covered by paragraph (1), (2), or (3) of subdivision
18 (a) or any other provision of law.

19 (c) Committees and other persons that are not required to file
20 online or electronically by this section may do so voluntarily.

21 (d) Once a person or entity is required to file online or
22 electronically, subject to subdivision (a) or (c), the person or entity
23 shall be required to file all subsequent reports online or
24 electronically.

25 (e) It shall be presumed that online or electronic filers file under
26 penalty of perjury.

27 (f) Persons filing online or electronically shall also continue to
28 file required disclosure statements and reports in paper format.
29 The paper copy shall continue to be the official filing for audit and
30 other legal purposes until the Secretary of State, pursuant to Section
31 84606, determines the system is operating securely and effectively.

32 (g) The Secretary of State shall maintain at all times a secured,
33 official version of all original online and electronically filed
34 statements and reports required by this chapter. Upon determination
35 by the Secretary of State, pursuant to Section 84606, that the
36 system is operating securely and effectively, this online or
37 electronic version shall be the official version for audit and other
38 legal purposes.

39 (h) Except for statements related to a local elective office or a
40 local ballot measure filed by a candidate for local elective office

1 who is also a candidate for elective state office, a copy of a
2 statement, report, or other document filed by online or electronic
3 means with the Secretary of State shall not be filed with a local
4 filing officer.

5 *SEC. 18. Section 84620 is added to the Government Code, to*
6 *read:*

7 *84620. (a) It is the intent of the Legislature to develop a single,*
8 *statewide electronic filing system that consolidates the filing of*
9 *all state and local campaign statements and reports required by*
10 *this title into one searchable database that provides for, but is not*
11 *limited to, all of the following:*

12 *(1) Electronic filing of committee organization statements.*

13 *(2) Electronic filing of campaign statements by all state*
14 *committees, without regard to the amounts of contributions and*
15 *expenditures.*

16 *(3) Electronic filing of reports by all major donors at the state*
17 *and local levels when specified thresholds are met.*

18 *(4) A consolidated statewide network that includes a process*
19 *to import into the statewide database state-required committee*
20 *disclosures from each local jurisdiction that has its own electronic*
21 *filing system.*

22 *(5) A statewide, Internet Web-based database with expanded*
23 *filing and public search capabilities that are data-driven and*
24 *user-friendly for all members of the public.*

25 *(b) The Secretary of State shall work toward development of*
26 *the electronic filing system described in subdivision (a) as follows:*

27 *(1) Not later than December 31, 2014, the Secretary of State*
28 *shall develop a feasibility study report that will outline the*
29 *technology requirements and the costs of the electronic filing*
30 *system. The Secretary of State shall consult and coordinate with*
31 *other state agencies that he or she deems appropriate, including,*
32 *but not limited to, the Commission, with respect to data*
33 *transitioning.*

34 *(2) The Secretary of State shall develop a funding plan that*
35 *includes a comprehensive and detailed project budget that will be*
36 *accurate through the duration of the project and will include*
37 *appropriate and reasonable contingencies.*

38 *(3) The Secretary of State shall engage in fundraising pursuant*
39 *to the plan developed pursuant to paragraph (2).*

1 (4) *Not later than December 31, 2018, the Secretary of State*
2 *shall complete work on the development, construction, and launch*
3 *of the electronic filing system described by this section.*

4 SEC. 19. *Section 91013 of the Government Code is amended*
5 *to read:*

6 91013. (a) ~~If any~~ a person files an original statement or report
7 ~~after any the applicable~~ deadline imposed by this ~~act~~ title, he or
8 she shall, in addition to any other penalties or remedies established
9 by this ~~act~~ title, be liable in the amount of ~~ten thirty~~ dollars ~~(\$10)~~
10 ~~(\$30)~~ per day after the deadline until the statement or report is
11 filed, to the officer with whom the statement or report is required
12 to be filed. Liability need not be enforced by the filing officer if,
13 on an impartial basis, he or she determines that the late filing was
14 not willful and that enforcement of the liability will not further the
15 purposes of ~~the act~~ this title, except that no liability shall be waived
16 if a statement or report is not filed within 30 days for a statement
17 of economic interest, other than a candidate's statement filed
18 pursuant to Section 87201, five days for a campaign statement
19 required to be filed 12 days before an election, and 10 days for all
20 other statements or reports, after the filing officer has sent specific
21 written notice of the filing requirement.

22 (b) ~~If any~~ a person files a copy of a statement or report after
23 ~~any the applicable~~ deadline imposed by this ~~act~~ title, he or she
24 shall, in addition to any other penalties or remedies established by
25 this ~~chapter~~ title, be liable in the amount of ~~ten thirty~~ dollars ~~(\$10)~~
26 ~~(\$30)~~ per day, starting 10 days, or five days in the case of a
27 campaign statement required to be filed 12 days before an election,
28 after the *filing* officer has sent specific written notice of the filing
29 requirement and until the statement *or report* is filed.

30 (c) *For purposes of this section, a campaign statement or report*
31 *filed on behalf of a committee shall not be deemed filed if the*
32 *treasurer does not have a current certification pursuant to Section*
33 *84100.*

34 (e)

35 (d) The *filing* officer shall deposit any funds received under this
36 section into the general fund of the jurisdiction of which he or she
37 is an officer. No liability under this section shall exceed *150*
38 *percent of the cumulative amount stated in the late statement or*
39 *report, or one hundred dollars (\$100), thousand dollars (\$1,000),*
40 *whichever is greater.*

1 *SEC. 20. No reimbursement is required by this act pursuant*
2 *to Section 6 of Article XIII B of the California Constitution because*
3 *the only costs that may be incurred by a local agency or school*
4 *district will be incurred because this act creates a new crime or*
5 *infraction, eliminates a crime or infraction, or changes the penalty*
6 *for a crime or infraction, within the meaning of Section 17556 of*
7 *the Government Code, or changes the definition of a crime within*
8 *the meaning of Section 6 of Article XIII B of the California*
9 *Constitution.*

10 *SEC. 21. The Legislature finds and declares that this bill*
11 *furtheres the purposes of the Political Reform Act of 1974 within*
12 *the meaning of subdivision (a) of Section 81012 of the Government*
13 *Code.*

14 ~~SECTION 1. It is the intent of the Legislature to enact~~
15 ~~legislation that would strengthen the Political Reform Act of 1974~~
16 ~~and the campaign disclosure requirements within that act to~~
17 ~~increase the penalties for failing to properly disclose campaign~~
18 ~~contributions, tighten the disclosure requirements on mass mailings~~
19 ~~and campaign messages presented through television and other~~
20 ~~forms of media, and close the loophole associated with campaign~~
21 ~~contributions from multi-purpose groups and non-profit~~
22 ~~organizations.~~